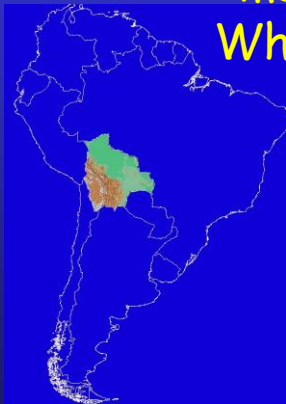


Decentralization of forest management in Bolivia: Who benefits and why?

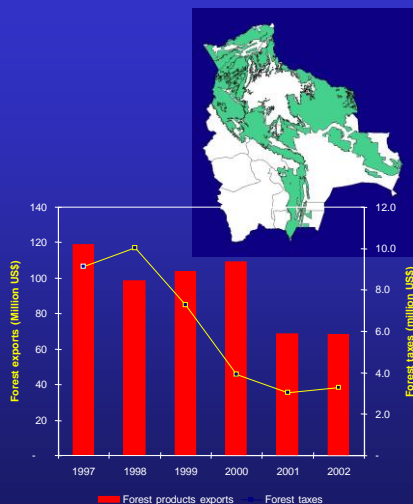


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Forests and forestry in Bolivia

- Forests embrace about half of the country's area
- Timber extraction - slow growth [445,000 m³ in 1980/580,000 m³ in 2002]
- Logging moved from high to less valuable species
- Forest products occupy the 8th place of the country's total exports
- Increasing supply of timber originated from small scale operations
- Illegal extraction is still important [about 30-50%]



The moves towards decentralization

Three simultaneous processes [since mid-1990s]:

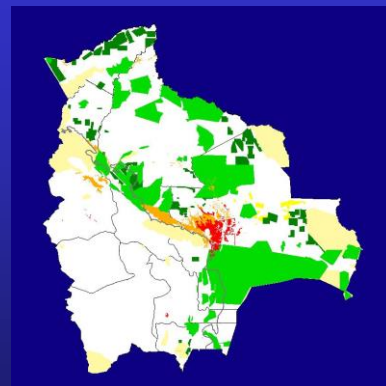
- **Liberal agrarian reform** to formalize property rights through land titling
- Institutionalization of **social participation** [i.e., popular participation in local decision making]
- **New rules and regulations** for forest resources use aimed at achieving sustainable management

Each one sought different objectives but all have shaped decentralization of forest management

Formalizing forestry rights

- Private landholders allowed to develop forestry operations
- Recognized indigenous people territorial claims [22 million ha]
- Transferred up to 20% of public forest to municipalities to implement 'social concessions' [claimed about 2.2 million ha]
- Established a system of forest concessions to timber companies [5.3 million ha]

Lowlands Bolivia: land tenure in 2003 (*)



(*) Omitted most part of medium and large scale landholdings

- | | |
|------------------------|---------------------------|
| Protected areas | Forest local users (ASLs) |
| Indigenous territories | Colonization areas |
| Forest concessions | Intensive agriculture |

Responsibilities granted to municipalities

- Propose the delimitation of forest reserves
- Allocate them through social concessions
- Monitor and control all forest activities
- Inspect raw material supply
- Provide support to forest local users
- Facilitate social participation in forestry

Municipalities receive 25% of total forest taxes to support Municipal Forestry Units (UFM) to implement these new functions

An incomplete democratic decentralization?

Decentralization but ... with restricted powers to municipal governments. They have little to say about issues regarding:

- Allocation of property rights in public forest areas
- Taxes collection and sanction to forest crime
- Definition of rules and regulations for forest management

Decentralization but ... local forest users have little autonomy to make decisions about the way in which to use their forests

Diverse situations in practice

- The amount of financial resources allocated to municipalities has been heterogeneous with only a few of them getting more of the resources
- There have not been enough public forest to attend demands for municipal forest reserves creation
- The UFM's priorities about what to accomplish from their menu of responsibilities varies across place

But the Bolivian model does not account for regional variation. The fact is that municipalities react differently to the challenges of decentralization

The outcomes in social participation

- The majors of some municipalities have been elected from small farmers and indigenous people
- Indigenous people have obtained support to reinforce their land claims, and small loggers to modify some land-use and forest regulations
- Some local elites are reinforced at least where cattle ranchers and timber companies are highly influential in local politics, but now they have to negotiate with groups previously discriminated
- In some cases alliances are built around local developmental agendas, which can even embrace conservation issues against foreign interests

Benefits for forest-dependent people

- The reinforcement of property rights that came along with decentralization [indigenous territories and social concessions] has been an important step for such social groups, but titling is too slow
- Indigenous people cannot fully benefit from their forest resources because they do not fulfill the conditions that the new forest regulations state
- Small-scale loggers have formal areas for logging, but a large group remained out of such benefits due to bureaucratic and slow legal procedures
- The latter has left open the door for such groups to persist in illegal logging activities

Impacts on forest crime

- The new regulations have not been able to tackle down both illegal logging and clear-cutting
- The national forestry service (SF) has looked for help from the UMFs to develop monitoring, yet the answer of municipalities has been ambiguous
- Some do not want to get involved in controlling forest crime, and others had no actual resources to spend on such activity because of its little financial return and high political cost
- Municipal governments are more motivated by controlling the operations of large-scale forest concessions, and some illegal clear cutting

The issues demanding attention

- Building horizontal systems of monitoring, in which trust is at the core of collaborative actions
- Supporting governments to become more transparent, accountable, and participative
- Developing pathways to enhance contribution of forest to local development short term needs
- Moving beyond the divide between centralization and decentralization by building more complex systems for successful forest management